

To the members of the House Finance Sub-Committee on Human Services:

I am strongly in favor of full funding that supports low- and moderate-income Rhode Islanders and especially the changes to the stipends in the RI Works program:

- excluding income for the first 6 months when a parent begins working
- allowing 18-year-old dependent youth still in school to remain on assistance until graduation
- increasing clothing allowance to a family including all children beginning at birth

I understand that these Increases are covered by a TANF block grant which is federally funded. What I do not understand is the omission of an increase in the monthly cash assistance to these families in the proposed budget. Such increases would also be covered in a TANF grant.

Currently cash assistance for a single mom with two kids is \$554 a month. That works out to \$6,648 per year. The national poverty level is \$21,200 per year. You can argue that the actual assistance is more because of housing, food, healthcare programs etc. but I do wonder whether those additional monies would add up to \$14,552, the difference between what RI Works allowance per year and the national poverty level.

Advocates for increasing the monthly assistance (Economic Progress Institute) **which has not changed in 30 years** have suggested an increase to \$915. That works out to \$10,980 a year - still well below the national poverty level! According to a 2020 MIT study, (<https://livingwage.mit.edu/states/44>) a full-time worker in RI would have to make \$38.64 per hour to earn a living wage in the state. The national poverty wage is \$10.44 per hour and the minimum wage in RI is currently \$10.50. True, we are moving toward \$15 an hour by 2025 but that does not even amount to half of the amount considered to be a living wage in RI and we will not reach that level until 4 years from now.

Some argue that if you give folks enough money to live on, they will have no incentive to find work. As illustrated above, a raise to \$915 a month is hardly a living wage in this state but maybe it will help to ease the worry and the scrambling to make ends meet. Maybe it would allow folks to think about and work toward a better future for themselves and their children.

It is my understanding that there is money in TANF block grants to cover the monthly assistance increase. Why don't we use it? The pandemic has shown us how vulnerable this sector of our community is. Do we need more proof that it is right to offer more help to them? Please add funding to increase the monthly cash assistance in the RI Works program.

Respectfully,
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